

RECORDATION NO. 23714-A FILED

OCT 24 '01 2-29 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

October 24, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Lease Agreement, dated August 7, 2001 a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement, which is being filed with the Board under Recordation Number 23714.

The names and addresses of the parties to the enclosed document are:

Lessor: Mitsui & Co. (U.S.A.), Inc.
200 Park Avenue
New York, NY 11066

Lessee: MRC Rail Services, LLC
One California Street, Suite 1500
San Francisco, California 94111

A description of the railroad equipment covered by the enclosed documents
is:

50 railcars GFLX 100 - GFLX 149

Mr. Vernon A. Williams
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A short summary of the document to appear in the index follows:

Memorandum of Lease

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

BETWEEN

MITSUI & CO. (U.S.A.), INC. ("LESSOR")

AND

MRC RAIL SERVICES, LLC ("LESSEE")

August 7, 2001

Memorandum of a Lease Agreement made and entered into as of **August 7, 2001** by and between Mitsui & Co. (U.S.A.), Inc., a New York corporation, ("Lessor") and MRC Rail Services, LLC, a Delaware limited liability company ("Lessee").

WITNESSETH:

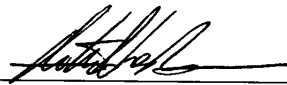
1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor the following railroad cars bearing marks and numbers as follows:

Description	Quantity	Numbers
Two-unit articulated Spine Railcars	50	GFLX 100 - 149 (all inclusive)

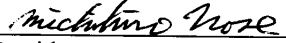
2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described in the Equipment Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor: Mitsui & Co. (U.S.A.), Inc.

By: 
Title: General Manager, Communications,
Transportation & Industrial Project Dept.
Date: 8/7/01

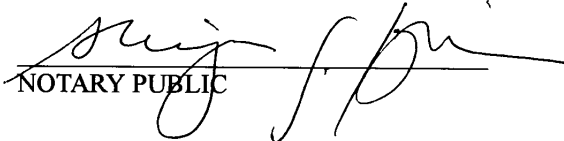
Lessee: MRC Rail Services, LLC

By: 
Title: President
Date: 10/16/01

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

On this 16th day of Oct., 2001, before me personally appeared Michihiro Nose, to me personally known, who being by me duly sworn, says that he is the President of MRC Rail Services, LLC that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.


NOTARY PUBLIC

My commission expires:



STATE OF NEW YORK

COUNTY OF NEW YORK

On this 7th day of August, 2001 before me personally appeared Tetsu Ikeda, to me personally known, who being by me duly sworn, says that he is the General Manager, Communications, Transportation & Industrial Project Department of Mitsui & Co. (U.S.A.), Inc. that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.


NOTARY PUBLIC

My commission expires:

STEPHEN M. GOLDSTEIN
NOTARY PUBLIC, State of New York
No. 4918555
Qualified in New York County
Term Expires December 2001